

DRAFT SCMv2 12/23/10 Revision

Section C

Statewide Contracts (SC)

Overview

Introduction Statewide Contracts (SCs) are competitively bid and awarded contracts established by DGS/Procurement Division to take advantage of lower costs passed on by suppliers bidding on large quantities of goods repetitively used by multiple state departments. These contracts have unlimited dollar thresholds.

DGS/PD has successfully integrated sourcing into its regular operations for non-IT goods. Therefore all LPAs previously referred to as California Strategically Sourced (CSSI) Contracts are now called SCs.

Contents This section contains the following topics:

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Topic 1 – SC Basics

6.C1.0 SC limitations SC's do not have dollar limits or limitations unless otherwise noted in the specific contract and/or user instructions.

6.C1.1 Contract price is maximum Contract pricing identified within SC is the maximum allowed.

6.C1.2 When to use SC SC's are established to reduce the need for individual departments to conduct repetitive bids for like products. The use of most SCs is mandatory, while the use of other SCs is non-mandatory. The buyers must verify the mandatory or non-mandatory status by reviewing the user instructions of each contract.

6.C1.3 Using Statewide Contracts

Departments must verify the following, prior to executing a SC order:

- Departments must have the appropriate purchasing authority for the type of purchase being made from an SC. (e.g.: office supply purchases require non-IT purchasing authority; desktop and mobile equipment purchases require IT purchasing authority).
- Is the contract mandatory or non-mandatory?
- Does the order require any CALPIA waivers?
- Does the order require additional review and approval prior to issuing the order (i.e., RESD, IT project certification, Fleet etc.)?
- Obtaining multiple offers is not required since these SCs are established as a result of competition.
- Each SC provides a set of user instructions unique to each contract. This includes instructions to departments for obtaining DGS written approval for any exemption from process to conduct a purchase outside of an authorized SC.
- Purchasing authority numbers and SC numbers must be identified on the purchase document in the appropriate location.
- Procurement files must be documented in sufficient detail to support the purchase transaction in the same fashion as any other LPA purchase activity.
- Purchasing dollar thresholds although unlimited, must remain within the department's approved purchasing authority dollar threshold for SCs.
- All certified SB or DVBE purchases made through the SCs are reported monthly by the contract holder and are credited to the purchasing department.

Contracts are available on PD's eProcurement web page at <http://www.eprocure.dgs.ca.gov/default.htm> or by contacting the PD contract manager for the specific contracts.

6.C1.4 SB/DVBE Off- Ramp Policy for Statewide Mandatory Contracts (Added 12/10)

New Statewide mandatory contracts awarded by the DGS for **(IT goods and services // non-IT goods)** will have a Small Business/DVBE Off-ramp, meaning State agencies will be permitted to purchase equivalent products **(and services)** from other sources that are certified small businesses or DVBEs. However, a Small Business/DVBE Off-ramp will not be made available for mandatory contracts that are already unbundled, as determined by the DGS, and which are held by a small business or DVBE. To determine whether a particular mandatory contract has a Small Business/DVBE Off-ramp, consult the user instructions for that contract.

6.C1.5 Usage Rules (Added 12/10)

In order to utilize the SB/DVBE Off-ramp, departments must document in the procurement file that the non-IT goods being purchased are

- 1) Equivalent to the non-IT goods available from the statewide contract including product description, manufacturer warranties, terms and conditions, and administrative and technical requirements as stated in the statewide contract; and
- 2) Equal to or less expensive than the pricing offered from the

statewide contract.

Additional rules of use for the SB/DVBE Off-ramp are as follows:

- Departments must have the appropriate non-IT purchasing authority granted by the DGS/PD in order to utilize the SB/DVBE Off-ramp as identified by the statewide contract;
- Transactions must be less than \$250,000 excluding sales and use tax, finance charges, postage, and handling charges;
- Departments must obtain price quotations from two or more certified SBs or two or more DVBEs (must be the same certification type);
- SB/DVBE Off-ramp purchases must be made to a supplier with a current California SB or DVBE certification.

If these rules cannot be applied, departments may not use the SB/DVBE Off-ramp provision to buy outside of the mandatory statewide contract. The purchase must be made through the mandatory statewide contract.

**6.C1.6
SB/DVBE Off-
Ramp
Reporting
Requirements**
(Added 12/10)

Departments are required to report all purchases made using the SB/DVBE Off-ramp. The reporting procedure will be outlined in Chapter 12 when released.

**6.C1.7
Purchase
document**

Unless otherwise directed by individual SC user instructions, the common purchase document used to issue SC orders is the STD.65. Refer to Section A of this chapter and Chapter 8 for additional information on purchase documents.

**6.C1.8 Body
armor
purchases**

Departments shall purchase body armor (stab resistant and/or bullet proof vests) from the mandatory SC. If the products do not meet the department's requirements, then the department must submit to DGS/PD a STD.66 for processing by DGS/PD.

**6.C1.9
Statewide
Pharma-
ceutical
Program**

The State of California Department of General Services (DGS) implements and administers a Statewide Pharmaceutical Program established by Government Code §14977-14982. The California State Departments of Corrections and Rehabilitations (CDCR), Mental Health (DMH), and Developmental Services (DDS) are mandated to participate in this program. Other state, district, county, city, municipal, or public agency governmental entities may elect to participate in this program.

The DGS works in conjunction with a Central Pharmacy Advisory Board to implement and administer a Statewide Pharmaceutical Program and implement strategies to manage escalating prescription drug prices.

Representation on this Board is appointed by the entities participating in the Statewide Pharmaceutical Program.

Please review the DGS Website at, <http://www.eprocure.dgs.ca.gov/default.htm>, for a list of contracts supporting the Statewide Pharmaceutical Program.

**6.C1.10 SC
availability**

Click here for access to [SC](#).

SCMv3 (12/23/10 Revision)

Section D

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Topic 1 – Statewide Contract (SC) Basics

6.D1.0 SC limitations SC's do not have dollar limits or limitations to their use unless otherwise noted in the specific contract and/or user instructions.

6.D1.1 Contract price is maximum Contract pricing identified within SCs is the maximum allowed.

6.D1.2 Distinguishing SC contracts SCs are identified in most cases with a numbering system beginning with “1” although there may be some exceptions, e.g., some contracts previously know as CSSI contracts will retain their original CSSI number beginning with a “1S” until the contract is renewed. In addition, there are some SC contracts that begin with an “8”. SC numbers beginning with an “8” are restricted to CALPIA use only.

6.D1.3 When to use SCs

SCs are established to reduce the need for individual departments to conduct repetitive bids for like products. Use of most SCs, is mandatory, but the use of some SCs is non-mandatory. Buyers must verify the mandatory or non-mandatory status of a contract by reviewing the user instructions for each contract.

6.D1.4 Using SCs

The following must be verified before executing an SC order:

- Departments must have the appropriate purchasing authority for the type of purchase being made from an SC. (e.g.: office supply purchases require non-IT purchasing authority; desktop and mobile equipment purchases require IT purchasing authority).
- Is the contract mandatory or non-mandatory?
- Does the order require any CALPIA waivers?
- Does the order require additional review and approval prior to issuing the order (i.e., RESD, IT project certification, Fleet etc.)?
- Obtaining multiple offers is not required since these SCs are established as a result of competition.
- Each SC provides a set of user instructions unique to each contract. This includes instructions to departments for obtaining DGS written approval for any [exemption form](#) process to conduct a purchase outside of an authorized SC.
- Purchasing authority numbers and SC numbers must be identified on the purchase document in the appropriate location.
- Procurement files must be documented in sufficient detail to support the purchase transaction in the same fashion as any other LPA purchase activity.
- Purchasing dollar thresholds although unlimited, must remain within the department's approved purchasing authority dollar threshold for SCs.
- All certified SB or DVBE purchases made through the SCs are reported monthly by the contract holder and are credited to the purchasing department.

Contracts are available on PD's eProcurement web page at <http://www.eprocure.dgs.ca.gov/default.htm> or by contacting the PD contract manager for the specific contracts.

6.D1.5 SB/DVBE Off-Ramp Policy for Statewide Mandatory Contracts

(Added 12/10)

State departments are allowed to purchase IT goods available on a mandatory statewide contract from certified SB or DVBE firms outside the mandatory statewide contract. The Off-ramp is available for new solicitations for mandatory statewide contracts. This policy does not affect current contracts in which the Off-ramp was not a part of the administrative requirements in the original solicitation. ..

6.D1.6 Usage Rules

(Added 12/10)

In order to utilize the SB/DVBE Off-ramp, departments must document in the procurement file that the IT goods being purchased are

- 1) Equivalent to the IT goods available from the statewide contract including product description, manufacturer warranties, terms and conditions, and administrative and technical requirements as stated in the statewide contract; and
- 2) Equal to or less expensive than the pricing offered from the statewide contract.

Additional rules of use for the SB/DVBE Off-ramp are as follows:

- Departments must have the appropriate IT purchasing authority granted by the DGS/PD in order to utilize the SB/DVBE Off-ramp as identified by the statewide contract;
- Transactions must be less than \$250,000 excluding sales tax and whatever else is typically excluded (refer to SCM);
- Departments must obtain price quotations from two or more certified SBs or two or more DVBEs (must be the same certification type);
- SB/DVBE Off-ramp purchases must be made to a supplier with a current California SB or DVBE certification.

If these rules cannot be applied, departments may not use the SB/DVBE Off-ramp provision to buy outside of the mandatory statewide contract. The purchase must be acquired through the mandatory statewide contract.

6.D1.7 SB/DVBE Off-Ramp Reporting Requirements

(Added 12/10)

Departments are required to report all purchases made via the SB/DVBE Off-ramp. The reporting procedure will be outlined in Chapter 12 when released.

6.D1.8 Purchase document

Unless otherwise directed by individual SC user instructions, the common purchase document used to issue SC orders is the STD.65. See Section A of this chapter and Chapter 8, Purchase Documents, for additional information on purchase documents.

**6.D1.9
Exemptions**

Occasionally, a department will need to purchase a good or service not available through an SC. The following link will take you to the Exemption Form and Instructions.

- [Exemption Form and Instructions](#)
- [State OCIO Contact Information](#) for Exemption Submissions. State agencies shall submit exemptions directly to their respective OCIO State agency analyst.
- [State OCIO website](#)

If you have additional exemption process questions, please contact your contract administrator.

**6.D2.10 SC
Availability**

Click here to access [the SC web page](#)
